1 2 3 4 5 6 7 8 IN THE UNITED STATE DISTRICT COURT 9 FOR THE WESTERN DISTRICT OF WASHINGTON SEATTLE DIVISION 10 11 MARIA BARNES and DEREK GANNON, individually and on behalf of all others 12 similarly situated, 13 **Plaintiffs** 14 v. 15 SEA MAR COMMUNITY HEALTH 16 CENTERS 17 Defendant. 18 19 TO: THE CLERK OF THE COURT 20 AND TO: 21 22 23 24 25 set forth below: 26 I. STATE COURT ACTION 27

Case No.

NOTICE OF REMOVAL OF ACTION UNDER 28 USC § 1346(b)(1)

(Clerk's Action Required)

King County Superior Court Case No. 21-2-15063-9 SEA

ALL PARTIES OF RECORD AND THEIR COUNSEL.

PLEASE TAKE NOTICE that Defendant SEA MAR COMMUNITY HEALTH CENTERS ("Sea Mar"), hereby gives notice of the removal of the above-captioned action, Case No. 21-2-15063-9 SEA, currently pending in the Superior Court of King County, Washington, to the United States District Court for the Western District of Washington at Seattle on the grounds

The State Court action to be removed, Maria Barnes and Derek Gannon, individually

and on behalf of all others similarly situated v. Sea Mar Community Health Centers, was filed in King County Superior Court, State of Washington, on November 12, 2021. A true and correct copy of the Class Action Complaint filed in King County Superior Court Case No: 21-2-15-130-9 SEA is attached as **Exhibit A**. This is a civil action arising out of allegations of negligence per se violations of (1) HIPAA 45 C.F.R. § 160 and § 164, (2) unfair trade practices pursuant to FTC Act 15 U.S.C. § 45(a)(1), (3) RCW 19.86.101 Washington Consumer Protection Act; as well as allegations of (4) negligence, (5) breach of fiduciary duty, (6) breach of express contract, (7) breach of implied contract, (8) unjust enrichment, and (9) breach of implied covenant of good faith and fair dealing, with claims made by Plaintiffs for actual damages, punitive damages, restitution, disgorgement, credit monitoring, attorney fees and costs, equitable, declaratory and injunctive relief.

II. GROUNDS FOR REMOVAL

The Federally Supported Health Centers Assistance Act allows the United States to deem actors, agencies, and employees to be part of the Public Health Service.

A. Sea Mar is a Deemed Employee of the Federal Government.

Sea Mar is a community-based health care provider that receives funds from the Health Resources & Services Administration. Sea Mar receives government funding because it provides primary care services in underserved areas. Sea Mar is a Federally Qualified Health Center. As such, Sea Mar has been deemed by the Health Resources and Services Administration, in accordance with the Federally Supported Health Centers Assistance Act, to be a Public Health Service employee of the federal government. The relevant deeming notices are attached collectively as **Exhibit B**.

B. The Federal Tort Claims Act, 28 U.S.C. 1346(b) Applies to Plaintiffs' Claims.

The Federal Tort Claims Act ("FTCA"),28 U.S.C. § 1346(b) *et seq.*, provides immunity from suits to Sea Mar because Sea Mar has been deemed to be a Public Health Service employee of the federal government.

Subject to the provisions of chapter 171 of this title, the district courts . . . shall have exclusive jurisdiction of civil actions against the United States . . . for injury or loss of property, or personal injury or death caused by the negligent or wrongful act or omission of any employee of the Government while acting within the scope of his office or employment, under circumstances where the United States, if a private person, would be liable to the claimant in accordance with the law of the place where the act or omission occurred.

The regulations establish that the federal government is a proper party defendant in an FTCA suit and not Public Health Service employees like Sea Mar.

C. The Public Health Services Act Applies to Sea Mar.

The Public Health Service Act provides liability protection to Public Health Service ("PHS") employees like Sea Mar under the Federal Tort Claims Act, 28 U.S.C. §§ 1346(b). Sea Mar is a PHS employee under the Federally Supported Health Centers Assistance Act, 42 U.S.C. §§ 233(g)-(n). The *exclusive* remedy for damage for personal injury "resulting from the performance of medical, surgical, dental, or *related functions*, ...by any commissioned ... employee of the Public Health Service while acting within the scope of his office or employment" is *against the United States*. 42 U.S.C. § 233(a). Plaintiffs allege they suffered personal injuries, including anxiety and emotional distress, as a result of a data breach incident in the Sea Mar environment. The Federally Supported Health Centers Assistance Act (42 U.S.C. § 233(a)) provides absolute immunity for PHS employees acting within the scope of their employment. *Hui v. Castaneda*, 559 U.S. 799, 806 (2010).

D. Sea Mar's Conduct Was Function Required and Related to the Provision of Medical Care.

To facilitate medical care, Sea Mar—like any doctor's office—creates medical records, and collects and maintains personal information from its patients. The maintenance, retention, and security of patients' records are legally required and "related functions" to the provision of medical care within the scope of federal immunity. Plaintiffs' claims arise from a data breach event that allegedly allowed access to patients' personal identifying information ("PII") and protected health information ("PHI"). Plaintiffs' alleged injuries therefore undeniably arise out of

the "related functions" to medical care—creating and maintaining medical, financial and other personal records of patients and their guarantors. Sea Mar qualifies for immunity, and in an FTCA suit, a plaintiff's exclusive remedy is to proceed in an action against the United States in district court.

III. TIME FOR REMOVAL

There is no time bar for Notice of Removal under the Federal Tort Claims Act 28 U.S.C. §1346(b)(1) because the district courts have exclusive jurisdiction over actions against the United States for negligent or wrongful acts or omissions committed by government employees. "Subject to the provisions of chapter 171 of this title, the district courts . . . shall have exclusive jurisdiction of civil actions against the United States . . . for injury or loss of property, or personal injury . . ."

Pursuant to the Federal Tort Claims Act, 28 U.S.C. §§ 1346(b) and the Federally Supported Health Centers Assistance Act, 42 U.S.C. §§ 233(g)-(n) the district court has exclusive jurisdiction over FTCA claims, and in an FTCA suit the only remedy is against the United States.

IV. REQUIRED DOCUMENTS

Defendant Sea Mar will promptly give written notice to all adverse parties. 28 USC § 1446(d).

In accordance with 28 USC § 1446 and LCR 101 (b)(1), a copy of the operative complaint is attached and filed herewith as **Exhibit A**.

Opposing counsel is listed below and is being served with a copy of this Notice as set forth in the Declaration of Service below in accordance with LCR 101(b)(2).

WHEREFORE, Defendant Sea Mar gives notice that the court action pending against it in King County Superior Court has been removed from that court to the United States District Court for the Western District of Washington at Seattle.

26 | / / /

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

27 ||///

1	DATED: February 16, 2022	LEWIS BRISBOIS BISGAARD & SMITH LLP
2		
3		s/Kathleen A. Nelson
4		Kathleen A. Nelson, WSBA #22826
		s/Randy J. Aliment
5		Randy J. Aliment, WSBA #11440
6		s/Aryn M. Seiler
7		Aryn M. Seiler, WSBA #57270
8		1111 Third Avenue, Suite 2700
		Seattle, Washington 98101
9		(206) 436-2020 / (206)436-2030 Fax
10		<u>Kathleen.Nelson@lewisbrisbois.com</u> <u>Randy.Aliment@lewisbrisbois.com</u>
11		Aryn.Seiler@lewisbrisbois.com
11		Attorneys for Defendant
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		

NOTICE OF REMOVAL OF ACTION- 5

27

DECLARATION OF SERVICE

I hereby declare under penalty of perjury under the laws of the State of Washington that I caused a true and correct copy of the foregoing to be served via the methods below on February 16, 2022 on the following counsel/party of record:

Alexander F. Strong, WSBA #49839		via U.S. Mail, first class, postage prepaid
Bendich Stobaugh & Strong, PC		via Legal Messenger Hand Delivery
126 NW Canal Street, Suite 100		via Facsimile
Seattle, WA 98107	×	via CM/ECF
(206) 622-3536	×	via E-mail:
Attorney for Plaintiff		<u>astrong@bs-s.com</u>
		aforsgaard@bs-s.com
		<u>cfaltesek@bs-s.com</u>
Ben Barnow		via U.S. Mail, first class, postage prepaid
Anthony L. Parkhill		via Legal Messenger Hand Delivery
Barnow & Associates, PC		via Facsimile
205 West Randolph Street, Ste. 1630	×	via CM/ECF
Chicago, IL 60606	×	via E-mail:
(312) 621-2000		<u>b.barnow@barnowlaw.com</u>
Attorney for Plaintiff		aparkhill@barnowlaw.com
		rprince@barnowlaw.com
Tina Wolfson		via U.S. Mail, first class, postage prepaid
Robert Ahdoot		via Legal Messenger Hand Delivery
Ahdoot & Wolfson, PC		via Facsimile
2600 W. Olive Avenue, Suite 500	×	via CM/ECF
Burbank, CA 91505-4521	×	via E-mail:
(310) 474-8585		twolfson@ahdootwolfson.com
Attorney for Plaintiff		<u>rahdoot@ahdootwolfson.com</u>
Andrew W. Ferich		via U.S. Mail, first class, postage prepaid
Ahdoot & Wolfson, PC		via Legal Messenger Hand Delivery
201 King of Prussia Road, Suite 650		via Facsimile
Radnor, PA 19087	×	via CM/ECF
(310) 474-9111	×	via E-mail:
Attorney for Plaintiff		aferich@ahdootwolfson.com
		hlivamagi@ahdootwolfson.com
Nicholas W. Brown		via U.S. Mail, first class, postage prepaid
Kristen R. Vogel, NY No. 5195664		via Legal Messenger Hand Delivery
Assistant United States Attorney		via Facsimile
Western District of Washington	×	via CM/ECF
700 Stewart Street, Suite 5220	×	via E-mail:
Seattle, Washington 98101-1271		kristen.vogel@usdoj.gov
(206) 553-7970 / (206) 553-4067 Fax		
United States Attorneys		

Dated February 16, 2022 at Seattle, Washington.

s/ Annie Kliemann Annie Kliemann

Annie.Kliemann@lewisbrisbois.com